CALIFORNIA ENERGY COMMISSION

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STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:	
BLYTHE ENERGY PROJECT,) PHASE II)	Docket No. 02-AFC-1C
)	Order No. 11-1214-7
CAITHNESS BLYTHE II, LLC	ORDER APPROVING a five month extension to the commencement of construction deadline

On October 12, 2010, Caithness Blythe II, LLC, (Caithness) filed a petition to extend the deadline for the commencement of construction of the Blythe Energy Project, Phase II, located within the City of Blythe, approximately five miles west of the center of the City on an approximate 76 acre site immediately adjacent to the operational Blythe Energy Project. The petitioner requests an extension of five years, from December 14, 2011 to December 14, 2016.

The deadline, set by regulation, is otherwise five years from the effective date of the California Energy Commission's (Energy Commission) decision. An applicant may request and receive an Energy Commission order of an extension for good cause prior to the commencement of the construction deadline. (Cal. Code Regs., tit. 20, § 1720.3.) This matter was heard at the regularly scheduled Business Meeting held on December 14, 2011, at which time staff and the petitioner addressed the Energy Commission.

DISCUSSION

Energy Commission staff presented the five year extension request at the scheduled December 14, 2011 Business Meeting stating that concerns remain with regards to the projects proposed electrical interconnection, as well as the project's ability to obtain a Power Purchase Agreement. Staff neither supports nor opposes the extension request and deferred the matter to the Energy Commission for consideration.

Caithness requested a shorter extension of the commencement of construction deadline so that staff can complete its analysis on a pending October 2009 petition to amend, and make a final recommendation to the Energy Commission while ensuring that the deadline for commencement of construction does not expire. Caithness also requested

that the five year extension request be heard at the same Business Meeting as the October 2009 petition to amend.

On October 29, 2009, a petition to amend the Blythe Energy Project, Phase II, was submitted that proposes several revisions to the Application for Certification that was approved in December 2005. Staff is currently in the process of finalizing its analysis of this separate petition to amend. Upon completion of staff's analysis of the petition to amend, staff will make a final recommendation to the Energy Commission at a regularly schedule business meeting in early 2012.

CONCLUSION AND ORDER

Having considered comments from both parties, including the petitioners request for a shorter extension, the Energy Commission hereby grants a five month extension to the start of construction for the Blythe Energy Project Phase II, from December 14, 2011 to May 14, 2012. The five-month extension shall be for the purpose of allowing staff to complete their analysis of the October 2009 petition to amend and make a final recommendation to the Energy Commission on both the October 2009 petition to amend and the October 2011 five year extension request.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the California Energy Commission held on December 14, 2011

AYE: Weisenmiller, Boyd, Douglas, Peterman

NAY: None

ABSENT: None ABSTAIN: None

Harriet Kallemeyn,

Secretariat